

INTERNATIONAL BUREAU ANNUAL REPORT

As presented by:
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[SLIDE 1]

MR. CHAIRMAN AND COMMISSIONERS,

I AM PLEASED TO PRESENT THIS REPORT ON THE
INTERNATIONAL BUREAU'S EFFORTS TO CHANNEL THE
TRANSFORMATIVE POWER OF COMMUNICATIONS
TECHNOLOGY TOWARDS INCREASED ECONOMIC
GROWTH, EXPANDED CONSUMER CHOICES AND
ENHANCED PUBLIC SAFETY.

[SLIDE 2]

THE BUREAU'S MISSION IS UNIQUE AS IT FOCUSES BOTH ON DOMESTIC AND GLOBAL CONSTITUENTS. IN FULFILLING ITS MISSION THE BUREAU:

- RELIES ON THE SIX ELEMENTS OF THE FCC'S STRATEGIC PLAN; AND,
- CREATES A DIALOGUE ABOUT THESE ELEMENTS WITH THE GLOBAL COMMUNICATIONS COMMUNITY.

[SLIDE 3]

MY FIRST PRIORITY AS BUREAU CHIEF IS TO ENSURE THAT THE IB TEAM IS EQUIPPED WITH THE TOOLS IT NEEDS TO SUCCEED. I AM PLEASED TO REPORT THAT:

- OVER THE LAST YEAR, AN INCREASING NUMBER OF IB EMPLOYEES ENROLLED IN FCC UNIVERSITY COURSES; AND,

- THREE IB ENGINEERS HAVE COMPLETED THEIR MASTERS STUDIES THROUGH THE FCC'S ENGINEERING GRADUATE PROGRAM.

STAFF ALSO INCREASED ITS KNOWLEDGE THROUGH OUR SATELLITE CEOs- AND INTERNATIONAL-SPEAKERS SERIES.

IB EMPLOYEES ARE EXTRAORDINARY, AND I AM PLEASED TO PROVIDE YOU NOW WITH A SAMPLING OF THEIR ACCOMPLISHMENTS IN 2004.

[SLIDE 4 - OVERVIEW]

LAST YEAR, I PLEDGED TO ADVANCE THE FCC'S STRATEGIC GOALS IN THE FOUR CORE COMMUNITIES WE SERVE. I AM PLEASED TO REPORT THAT IB HAS FUFILLED THAT PROMISE.

[SLIDE 5 - BROADBAND]

WE HAVE IMPROVED ACCESS TO BROADBAND SERVICES BY:

1. LICENSING NEW BROADBAND SATELLITE PROVIDERS;
2. FINALIZING RULES FOR SATELLITE BROADBAND ON SHIPS;
3. STEERING GLOBAL BROADBAND POLICY DISCUSSIONS; AND,
4. MONITORING DEPLOYMENT OF BROADBAND TECHNOLOGIES, PARTICULARLY IN RURAL AREAS.

[SLIDE 6 - COMPETITION]

WE ALSO HELPED CONSUMERS CONNECT GLOBALLY, BY
DRIVING DOWN THE COST OF INTERNATIONAL CALLS
AND EXPANDING SERVICE OPTIONS.

[SLIDE 7 - RATES]

BY THE END OF 2004, U.S. CONSUMERS PAID AN AVERAGE
OF 20 CENTS PER MINUTE FOR INTERNATIONAL CALLS - -
A 30% REDUCTION OVER THE PREVIOUS YEAR.

[SLIDE 8 – GLOBAL COMPETITION]

AND, WE CONTINUED TO ADVANCE THE GLOBAL
DIALOGUE ON COMPETITION...

[SLIDE 9 - MEDIA]

... AND ON MEDIA POLICY AND OWNERSHIP.

IN ADDITION, WE CONTINUED TO FACILITATE DIGITAL TV TRANSITION AND PROTECT U.S. BROADCASTERS ALONG THE UNITED STATES' NORTHERN AND SOUTHERN BORDERS.

[SLIDE 10 – HOMELAND SECURITY]

IN 2004, IB PLAYED A CRITICAL ROLE IN THE FCC'S HOMELAND SECURITY INITIATIVES BY:

- ENCOURAGING COMPANIES TO SECURE THEIR COMMUNICATIONS INFRASTRUCTURE;
- PROVIDING EXPERT ADVICE TO OTHER FEDERAL AGENCIES; AND,
- TAKING A LEADERSHIP ROLE IN THE INTERNATIONAL COMMUNITY.

[SLIDE 11 – SPECTRUM]

IN 2004, WE CONTINUED TO PROMOTE INNOVATIVE USES OF SPECTRUM AND TO ADVANCE WORK ON INTERNATIONAL SPECTRUM INITIATIVES, INCLUDING PREPARATIONS FOR THE NEXT WORLD RADIO CONFERENCE (WRC 07).

[SLIDE 12 – MODERNIZE ITU]

THE BUREAU IS ALSO MODERNIZING ITS INVOLVEMENT IN THE INTERNATIONAL TELECOM UNION (OR ITU), AS THE ORGANIZATION IS THE MAIN FORUM FOR ENGAGING THE WORLD'S EXPERTS AND POLICY-MAKERS ON COMMUNICATIONS ISSUES. OVER THE PAST YEAR, WE HAVE FURTHER IMPROVED OUR ABILITY TO ADVANCE THE COMMISSION'S ITU GOALS BY EMPHASING PROACTIVE AND COLLABORATIVE APPROACHES.

[SLIDE 13 – MODERNIZE – FASTER LICENSING]

THE BUREAU IS ALSO MODERNIZING ITS INTERNAL OPERATIONS. IN 2004, WE PROCESSED SPACE STATION APPLICATIONS 43% FASTER THAN COMMISSION TARGETS.

[SLIDE 14 – BACKLOG REDUCTION]

WE’VE ALSO MET OUR COMMITMENT TO REDUCE BACKLOGS. IN 2004 WE:

1. REDUCED THE NUMBER OF BACKLOGGED SPACE STATION APPLICATIONS BY 36%; AND
2. SUBSTANTIALLY COMPLETED WORK ON ALL OUTSTANDING PROCEEDINGS PENDING FOR MORE THAN ONE YEAR.

WE WILL SOON COMPLETE WORK ON ALL PETITIONS FOR RECONSIDERATION AND APPLICATIONS FOR REVIEW THAT HAVE BEEN PENDING FOR MORE THAN ONE YEAR.

[SLIDE 15 E-FILING]

FURTHERMORE, IN 2004, E-FILING OF ALL SATELLITE APPLICATIONS BECAME MANDATORY AND WE PROPOSED EXTENDING E-FILING REQUIREMENTS.

[SLIDE 16 - MyIBFS]

2004 SAW THE LAUNCH OF OUR NEW E-FILING INTERFACE, “MyIBFS” AND THE IMPLEMENTATION OF A NEW INTERACTIVE, AUTOMATED FILING PROCESS.

[SLIDE 17 – TECHNOLOGY SLIDE]

BY MAKING POSSIBLE THAT WHICH WAS ONCE
IMPOSSIBLE, TECHNOLOGY BECOMES A FORCE FOR
CHANGE AND TRANSFORMS OUR LIVES.

IN OCTOBER THE BUREAU CELEBRATED ITS TENTH
ANNIVERSARY, PROVIDING US AN OPPORTUNITY TO
REFLECT ON THE PAST DECADE OF TECHNOLOGICAL
CHANGE AND TO SET GOALS FOR THE COMING YEAR.

[SLIDE 18 - SPECTRUM]

SINCE THE 1990s SATELLITE SPECTRUM USE EVOLVED FROM DEDICATED, SERVICE-SPECIFIC ALLOCATIONS TO INTER-SERVICE SHARING ARRANGEMENTS. OVER THIS PERIOD, IB HAS ENSURED THAT ITS APPROACH TO MANAGING SATELLITE SPECTRUM IS FULLY IN SYNC WITH THE COMMISSION'S EVOLVING FLEXIBLE APPROACH TO SPECTRUM MATTERS.

IN THE COMING YEAR, WE WILL EXPLORE INNOVATIVE SPECTRUM APPROACHES THAT FACILITATE DEPLOYMENT OF NEW TECHNOLOGIES WHILE PROTECTING EXISTING SERVICES.

[SLIDE 19 – SATELLITE SERVICES]

SATELLITE SERVICES HAVE ALSO UNDERGONE SIGNIFICANT TRANSFORMATION. TEN YEARS AGO, ANALOG SATELLITE SERVICE WAS STATE OF THE ART, PROVIDING LONG-HAUL DATA TRANSFER, BROADCAST DELIVERY, IMAGING AND BACKBONE TRANSPORT SERVICES FOR LARGE BUSINESS AND GOVERNMENT CUSTOMERS.

TODAY, TECHNOLOGY HAS OPENED NEW DOORS AND THE RESULT IS INCREASED CONSUMER CHOICE AND DEMAND. THERE ARE NOW:

- NEARLY ONE MILLION MOBILE SATELLITE SERVICE SUBSCRIBERS,
- OVER 4 MILLION SATELLITE RADIO SUBCRIBERS, AND
- OVER 23 MILLION SATELLITE TELEVISION SUBSCRIBERS.

IN 2005 WE WILL WORK TO FURTHER EXPAND CONSUMER BROADBAND CHOICES AND TO INCREASE THE AVAILABILITY OF SATELLITE INTERNET SERVICES.

[SLIDE 20 – SATELLITE FORUM]

SATELLITE SERVICES AND EQUIPMENT ARE ON THE MOVE; THEY ARE:

- IN URBAN MARKETS AND IN REMOTE LOCATIONS;
- AVAILABLE TO INDIVIDUALS AND TO BUSINESSES;
- AND
- CAPABLE BOTH OF DELIVERING VASTE QUANTITIES OF CONTENT AND OF ENHANCING PUBLIC SAFETY.

TO SHOWCASE THE TRENDS IN SATELLITE TECHNOLOGY AND SERVICES, ON MARCH 21ST, THE COMMISSION WILL HOST ITS SECOND ANNUAL FORUM ON SATELLITES.

[SLIDE 21 – INTERNATIONAL CALLING]

EQUALLY BENEFITTING U.S. CONSUMERS ARE THE TRENDS IN THE COST OF GLOBAL COMMUNICATIONS. IN THE 1990'S WE ESTABLISHED THE BENCHMARK POLICY TO HELP DRIVE DOWN INTERNATIONAL CALLING RATES. AS A RESULT OF THIS POLICY, RATES HAVE DROPPED NEARLY 80%. YET, THE USE OF CELL PHONES FOR INTERNATIONAL CALLING HAS INCREASED, CHANGING THE COMPETITIVE LANDSCAPE.

IN 2005 WE WILL EXAMINE WHETHER U.S. CONSUMERS ARE PAYING TOO MUCH FOR CALLS TO MOBILE PHONES IN FOREIGN COUNTRIES AND DETERMINE WHETHER OR NOT TO MODIFY THE EXISTING FRAMEWORK.

[SLIDE 22 – HOMELAND SECURITY]

OUR ROLE ALONG OUR BORDERS HAS ALSO CHANGED WITH TIME AND WORLD EVENTS. THUS, WE HAVE INCLUDED IN OUR WORK ON INTERNATIONAL MERGERS, SATELLITE OPERATIONS AND CROSS BORDER COORDINATION A FOCUS ON HOMELAND SECURITY.

IN 2005 WE WILL CONTINUE TO IMPLEMENT FCC HOMELAND SECURITY INITIATIVES.

[SLIDE 23 – GLOBAL LEADERSHIP]

TEN YEARS AGO, THE FCC WAS ONE OF ONLY 14 INDEPENDENT REGULATORS. TODAY, THERE ARE NEARLY TEN TIMES AS MANY REGULATORS AROUND THE GLOBE.

YET, THE ROLE OF THE INDEPENDENT REGULATOR IS EVOLVING AS TECHNOLOGY TRANSFORMS COMMUNICATIONS.

LIKE THE FCC, OUR FOREIGN COUNTERPARTS MUST FORMULATE REGULATORY APPROACHES THAT ADAPT TO INNOVATIONS (SUCH AS VOIP).

[SLIDE 24– FCC ROLE]

WHILE THE FCC ONCE LED CHANGE BY ADVOCATING A SPECIFIC REGULATORY ALTERNATIVE, WE MUST NOW LEAD BY HELPING OUR GLOBAL PARTNERS UNDERSTAND THE BENEFITS OF TECHNOLOGICAL CHANGE TO THEIR MARKETS AND CITIZENS.

WE WILL DO THIS THROUGH:

- OUR WORK AT THE ITU;
- OUR GLOBAL OUTREACH INITIATIVES; AND,
- THROUGH THE PERSONAL CONTACTS THAT EACH OF YOU HAVE WITH YOUR COLLEAGUES AROUND WORLD.

[SLIDE 25 - CONCLUSION]

IN CONCLUSION, MR. CHAIRMAN AND COMMISSIONERS,
THE INTERNATIONAL BUREAU IS READY TO BUILD ON
ITS SUCCESS OVER THE PAST TEN YEARS TO MEET THE
CHALLENGES OF THE FUTURE.

THANK YOU.